



County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

SACHI A. HAMAI
Interim Chief Executive Officer

June 3, 2015

Board of Supervisors
HILDA L. SOLIS
First District

MARK RIDLEY-THOMAS
Second District

SHEILA KUEHL
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

To: Mayor Michael D. Antonovich
Supervisor Hilda L. Solis
Supervisor Mark Ridley-Thomas
Supervisor Sheila Kuehl
Supervisor Don Knabe

From: Sachi A. Hamai
Interim Chief Executive Officer

SACRAMENTO UPDATE

Executive Summary

This memorandum contains a report on the following:

- **Pursuit of County Position on a State Budget Item.** The Governor's May Revision provides \$5.0 million in one-time State General Fund to dispose of statewide stockpiles of illegal fireworks. The Assembly Budget Committee adopted the May Revision proposal; however, the Senate Budget and Fiscal Review Committee reduced the proposal from \$5.0 million to \$3.0 million. Therefore, unless otherwise directed by the Board, consistent with existing policies to: 1) support proposals to provide funding for the Office of State Fire Marshal for training, education, and code enforcement; and 2) oppose legislation that would require local fire agencies to assume responsibility for the disposal of illegal fireworks, **the Sacramento advocates will support the May Revision proposal to include \$5.0 million in the FY 2015-16 State Budget Act for the disposal of seized illegal fireworks.**
- **Status of County-Advocacy Legislation**
 - **County-supported AB 446 (Ridley-Thomas)** - related to the Baldwin Hills Conservancy Act, passed the Assembly Floor on June 1, 2015.
 - **County-supported SB 23 (Mitchell)** - related to the CalWORKs Program Maximum Family Grant, passed the Senate Floor on June 1, 2015.

"To Enrich Lives Through Effective And Caring Service"

**Please Conserve Paper – This Document and Copies are Two-Sided
Intra-County Correspondence Sent Electronically Only**

- **County-supported SB 321 (Beall)** - related to the adjustment of the gas tax rate, passed the Senate Floor on June 1, 2015.
- **County-supported SB 614 (Leno)** - related to mental health peer and family support specialist certification, passed the Senate Floor on June 1, 2015.
- **County-supported SB 621 (Hertzberg)** - related to the Mentally Ill Offender Crime Reduction Program, passed the Senate Floor on June 1, 2015.

Pursuit of County Position on a State Budget Item Related to Fireworks Disposal

The Governor's FY 2015-16 May Revision provides \$5.0 million in one-time State General Fund to dispose of statewide stockpiles of illegal fireworks. The allocation is intended to address the stockpiles of illegal fireworks seized in 2014 and anticipated to be seized in 2015. The Administration has indicated its commitment to finding a long-term funding source for this activity.

The Office of the State Fire Marshal (OSFM) is required to dispose of seized illegal fireworks, including those seized by local agencies. In FY 2014-15, the OSFM received a one-time appropriation of \$1.5 million for the disposal of illegal fireworks. The OSFM estimates that this appropriation is sufficient to address the stockpile of illegal fireworks currently held by the State, but not enough to dispose of the illegal fireworks held by local governments. The OSFM estimates that there are roughly 384,000 pounds of seized dangerous and illegal fireworks located throughout the State awaiting disposal.

On May 26, 2015, the Senate and Review Budget Committee reduced the May Revision proposal from \$5.0 million to \$3.0 million and adopted \$500,000 for the California Department of Toxic Substances Control to develop State protocols for the disposal of fireworks and to increase incentives for local agencies to impose penalties on the sale of illegal and dangerous fireworks. On May 27, 2015, the Assembly Budget Committee adopted the May Revision proposal to provide \$5.0 million for the disposal of seized illegal fireworks.

The Fire Department notes that the County is currently stockpiling approximately 88,000 pounds of illegal seized fireworks, the largest in the State. This has created a dangerous situation that needs to be addressed in the near future. According to the Fire Department, it would cost approximately \$1.0 million to safely dispose of the

County's current stockpile of illegal fireworks. This estimate does not include costs to dispose of the sizeable amount illegal fireworks the County is expected to seize during the 2015 Fourth of July and the New Year's Eve holidays.

This office and the Fire Department support the Governor's May Revision proposal and the Assembly Budget action to allocate \$5.0 million to the Office of the State Fire Marshal for the disposal of seized illegal fireworks. Therefore, unless otherwise directed by the Board, consistent with existing policies to: 1) support proposals to provide funding for the Office of State Fire Marshal for training, education, and code enforcement; and 2) oppose legislation that would require local fire agencies to assume responsibility for the disposal of illegal fireworks, **the Sacramento advocates will support the May Revision proposal to include \$5.0 million in the FY 2015-16 State Budget Act for the disposal of seized illegal fireworks.**

This proposal is pending hearing by the joint Senate and Assembly Budget Conference Committee.

Status of County-Advocacy Legislation

County-supported AB 446 (Ridley-Thomas), which as introduced on February 23, 2015, would repeal the sunset date of the Baldwin Hills Conservancy Act, thereby extending the operation of the Act indefinitely, passed the Assembly Floor by a vote of 77 to 0 on June 1, 2015. This measure now proceeds to the Senate.

County-supported SB 23 (Mitchell), which as introduced on December 1, 2014, would repeal the CalWORKs Program Maximum Family Grant rule effective January 1, 2016, and prohibit a CalWORKs applicant or recipient from being denied aid or an increase in the grant maximum aid payment for a child born into a family during a period in which the family received CalWORKs benefits, passed the Senate Floor by a vote of 27 to 6 on June 1, 2015. This measure now proceeds to the Assembly.

County-supported SB 321 (Beall), which as amended on May 27, 2015, would: 1) for FY 2015-16, and each fiscal year thereafter, require the Board of Equalization (BOE) to adjust the motor vehicle fuel tax rate to generate an amount of revenue equal to the amount of revenue loss attributable to the sales and use tax exemption based on estimates that reflect the combined average of the actual fuel price over the previous four fiscal years and the estimated fuel price for the current fiscal year; and 2) authorize the BOE to adjust the fuel tax rate more frequently, if the amount of revenue being generated will be significantly different than previously projected, passed the Senate Floor by a vote of 40 to 0 on June 1, 2015. This measure now proceeds to the Assembly.

Each Supervisor
June 3, 2015
Page 4

County-supported SB 614 (Leno), which as amended on April 6, 2015, would establish the Peer and Family Support Specialist Certification to provide specialized training for peers who provide individualized support services to persons with mental health needs, passed the Senate Floor by a vote of 40 to 0 on June 1, 2015. This measure now proceeds to the Assembly.

County-supported SB 621 (Hertzberg), which as introduced on February 27, 2015, would expand the Mentally Ill Offender Crime Reduction Program to allow funding to be used for diversion programs that provide mental health treatment and services, passed the Senate Floor by a vote of 40 to 0 on June 1, 2015. This measure now proceeds to the Assembly.

We will continue to keep you advised.

SAH:JJ:MR
VE:IGEA:ma

c: All Department Heads
Legislative Strategist
Local 721
Coalition of County Unions
California Contract Cities Association
Independent Cities Association
League of California Cities
City Managers Associations
Buddy Program Participants